



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and Energy Reliability  
Infrastructure Security and Energy Restoration

# ENERGY ASSURANCE DAILY

Monday, November 27, 2006

## Major Developments

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### **Update: Trans-Alaska Pipeline System Returns to Normal Rates November 24**

The Trans-Alaska Pipeline System (TAPS) resumed normal operations on November 24 after slowing rates for one week due to weather-related loading delays and storage tanks nearing capacity at the Port of Valdez, at the pipeline's southern terminus. Early last week, TAPS flow rates were reduced to as low as 25 percent and Alaska's Joint Pipeline Office ordered Alaska North Slope producers to curtail output. The TAPS normally carries about 750,000 b/d from Alaska North Slope to the Port of Valdez.

[http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-11-24T222121Z\\_01\\_N24378479\\_RTRIDST\\_0\\_ENERGY-ALASKA-PIPELINE.XML&rpc=66&type=qcna](http://today.reuters.com/news/articleinvesting.aspx?view=CN&storyID=2006-11-24T222121Z_01_N24378479_RTRIDST_0_ENERGY-ALASKA-PIPELINE.XML&rpc=66&type=qcna)

## Electricity

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### **Snowstorm Knocks Out Power to at Least 62,000 Customers in Washington State November 26-27**

Snohomish Public Utility District reported 59,000 customers without power this morning. The company said that forty crews are working today to restore service. Seattle City Light reported that at least 3,000 customers lost power Sunday night. Puget Sound Energy reported spotty outages.

[http://seattletimes.nwsources.com/html/localnews/2003449857\\_webweather27.html](http://seattletimes.nwsources.com/html/localnews/2003449857_webweather27.html)

### **Update: Exelon's 867 MW Nuke Unit 2 in Illinois Ramps Up to 75 Percent November 27**

The unit was listed at 75 percent of capacity this morning. The company shut the unit on November 16 to fix a steam line in the main condenser.

Bloomberg News, 11:43, November 27, 2006

### **PPL's 1,200 MW Susquehanna Nuke Unit 1 in Pennsylvania Shut November 25**

The unit automatically shut down on Saturday due to a breaker failure on a transmission line. The company expects to restart the unit in the coming days.

<http://biz.yahoo.com/prnews/061126/nysu001.html?v=80>

Bloomberg News, 13:01 November 27, 2006

### **OPG's 215 MW Atikokan Coal-fired Unit in Ontario Shut November 27**

Reuters, 10:08 November 27, 2006

### **TransAlta's 399 MW Sundance Coal-fired Unit 6 in Alberta Shut November 27**

Reuters, 10:08 November 27, 2006

### **Allegheny Power Planning New 500-kV Trans-Allegheny Interstate Line**

The company has begun preliminary work on the 240-mile Trans-Allegheny Interstate Line that will extend through parts of Pennsylvania, West Virginia, Maryland and Virginia. Allegheny proposed the transmission line after predictions were made that some current electrical transmission lines in the region could be overloaded by 2011. The company said that construction on the project would most likely begin in early 2009.

[http://www.mercurynews.com/mld/mercurynews/news/breaking\\_news/16103373.htm](http://www.mercurynews.com/mld/mercurynews/news/breaking_news/16103373.htm)

### **Marathon Puts Out Small Fire at Texas City, Texas Refinery November 26**

According to a local newspaper, Marathon Petroleum Co. LCC quickly put out a small fire at its 72,000 b/d Texas City, Texas refinery on Sunday. The fire was confined to an unidentified unit at the refinery.  
Reuters, 07:45 November 27, 2006

### **Compressor on Cat Cracker Malfunctions at Total's Port Arthur, Texas Refinery November 26**

According to a filing with Texas regulators, a wet gas compressor on the catalytic cracking unit malfunctioned at Total's 240,000 b/d refinery in Port Arthur, Texas. The malfunction began and ended yesterday.  
Bloomberg News, 12:16 November 27, 2006

### **ConocoPhillips Restarts Unnamed Unit at Sweeny, Texas Refinery November 26**

According to a filing with Texas regulators, ConocoPhillips shut an unnamed unit at its 216,000 b/d refinery in Sweeny, Texas early last week due to a sour water release that resulted when a recently repaired weld failed. In another filing, the company said that it restarted the unit between November 23 and November 26. Experts believe that the unit was likely a sulfur recovery unit.  
Bloomberg News, 12:05 November 24, 2006

### **Power Outage Affects Units at Valero's Port Arthur Texas, Refinery November 23**

According to a filing with Texas regulators, a power outage last Thursday caused the temporary shutdown or slowdown of several units at Valero's 260,000 b/d refinery in Port Arthur, Texas. According to the filing, the units were restarted the next day. A Valero spokeswoman said Monday that the shutdown had no "material impact" on production at the refinery.  
Reuters, 12:24 November 27, 2006

### **PdVSA Unit Has 'Operational Event' at Amuay Refinery in Venezuela November 24**

According to PdVSA, the hydrodesulfurizer had an "operational event" at the 640,000 b/d Amuay refinery on Friday night. A Venezuelan newspaper reported that a "strong explosion" occurred at the refinery. PdVSA did not confirm whether the event was an explosion but said the event occurred while the company was preparing to start up the unit after planned maintenance. PdVSA said that no other units at the refinery were affected and domestic and international supply of oil products remains normal.

<http://www.platts.com/Oil/News/9603285.xml?p=Oil/News&sub=Oil>

### **Mortar Attack Sets Main Crude Oil Distribution Center Ablaze in Northern Iraq**

According to Iraq's North Oil Company, output from northern Iraq could be reduced for some time due to a mortar attack on an oil storage and distribution facility at Arafat, north of the city of Kirkuk. The facility, which regulates the transport of crude oil, is Iraq's main northern oil distribution center. The northern oilfields around Kirkuk pumped about one third of Iraq's 3 million b/d output before the 2003 U.S.-led invasion. However, since the war began, exports from northern Iraq have been intermittent at best due to repeated insurgent attacks on oil pipelines.  
<http://www.alertnet.org/thenews/newsdesk/MAC750803.htm>

Bloomberg, 14:36 November 27, 2006

### **Update: Eni Declares Force Majeure on 60,000 b/d from Offshore Nigeria Oilfield**

On November 24, Eni SpA declared force majeure on production from Okono/Okpoho offshore oil field. Last week, gunmen in speedboats raided the floating production storage and offloading vessel that was extracting oil from the field, forcing Eni to shut production at the facility. Seven expatriate workers were taken hostage during the raid.

Bloomberg News, 07:51 November 24, 2006

### **Venezuela Telling Tar Sands Producers to Implement Production Cuts**

Some of PdVSA's partners in tar sands oil projects in the Orinoco Belt have said that they have been told by the government to implement production cuts in line with the 4.3 percent reduction agreed on by OPEC members in October. The partners also said that they had been led to understand that PdVSA would be curtailing production by a similar percentage from aging oilfields in western Venezuela. This recent news has bolstered the credibility of the 1.2 million b/d production cut announced by OPEC in October. Some experts believe that OPEC members will not adhere to their commitment to cut production.

Oil Daily, November 27, 2006

## Shell Canada Investing to Boost Athabasca Oil Sands Production by 100,000 b/d Company is Considering Building New Heavy Oil Refinery in Sarnia, Ontario

Earlier this month, Shell Canada announced that it intended to proceed with a 100,000 b/d expansion of its Athabasca Oil Sands Project in Alberta Canada. The expansion will raise the project's oil sands output to 255,000 b/d by 2010. The expansion will involve construction of mining and extraction facilities at the Jackpine Mine, expansion of froth treatment facilities at the existing Muskeg River Mine, an expansion of the Scotford Upgrader and an expansion of common infrastructure to support long-term production goals of 550,000 b/d from the project. To help process its growing heavy oil output, Shell Canada is considering building a new refinery in Sarnia, Ontario that would process up to 250,000 b/d. A decision on the new refinery will be made within the next three years.

[http://www.shell.ca/home/Framework?siteId=ca-en&FC2=/ca-en/html/iwgen/news\\_and\\_library/press\\_releases/2006/unindex/zzz\\_lhn.html&FC3=/ca-en/html/iwgen/news\\_and\\_library/press\\_releases/2006/unindex/november1\\_aosp\\_expansion\\_proceed.html](http://www.shell.ca/home/Framework?siteId=ca-en&FC2=/ca-en/html/iwgen/news_and_library/press_releases/2006/unindex/zzz_lhn.html&FC3=/ca-en/html/iwgen/news_and_library/press_releases/2006/unindex/november1_aosp_expansion_proceed.html)

Bloomberg News, 18:07, November 27, 2006

## Natural Gas

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### FERC Gives Environmental Approval to 1.5 Bcf/d Mississippi LNG Terminal

The U.S. Federal Energy Regulatory Committee has given a positive final environmental impact statement to Gulf LNG Energy LLC and Gulf LNG Pipeline LLC to build a 1.5 Bcf/d liquefied natural gas (LNG) terminal in the Port of Pascagoula in Mississippi and an associated pipeline.

NGI's Daily Price Index, November 27, 2006

<http://www.platts.com/HOME/News/6325757.xml?sub=HOME&p=HOME/News&?undefined&undefined>

## Other News

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Nothing to report.

## Energy Prices

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U.S. Oil and Gas Prices November 27, 2006			
	Today	Week Ago	Year Ago*
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	60.30	56.42	58.30
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.58	7.79	11.02

Source: Reuters

\* Note: market closed for Thanksgiving holiday

## Energy Notes

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### GAO Calling for Congressional Oversight of Energy Supplies and Infrastructure

Oil Daily, November 27, 2006

### Load Center Malfunction Knocks Out Power at College of San Mateo in California, Campus Closed and Evacuated

[http://www.insidebayarea.com/ci\\_4729489?source=email](http://www.insidebayarea.com/ci_4729489?source=email)

## Five Small City-Run Utilities in Southern California Not Extending Long-term Contracts for Electric Supplies from LADWP's Coal-fired Intermountain Plant in Utah

NGI's Daily Gas Price Index, November 27, 2006

Reuters, 16:29 November 22, 2006

## Non-OPEC Producers May Pump Enough New Oil in 2007 to Meet Growth in World Demand - IEA

[http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/business/2006/November/business\\_November702.xml&section=business&col=](http://www.khaleejtimes.com/DisplayArticleNew.asp?xfile=data/business/2006/November/business_November702.xml&section=business&col=)

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpst.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpst.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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